

**ASSEMBLY BILL**

**No. 1234**

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**Introduced by Assembly Member Salinas**

February 22, 2005

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An act to add Article 2.3 (commencing with Section 53232) and Article 2.4 (commencing with Section 53234) to Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code, relating to local agencies.

LEGISLATIVE COUNSEL'S DIGEST

AB 1234, as introduced, Salinas. Local agencies: compensation and ethics.

(1) Existing law provides for the establishment and operations of cities, counties, cities and counties, districts, and other local government agencies, the composition of their governing bodies, and the payment of governing body members for attending meetings and performing other duties, and prescribes conflicts of interest.

This bill would require a local agency to adopt a written policy on the duties for which legislative body members may receive compensation, other than meetings of the legislative body or an advisory body or attendance at a conference. The bill would require the governing body to adopt a written policy concerning what occurrences qualify a member to receive reimbursement of expenses for travel, meals, and lodging and would impose related requirements, including the filing of expense reports, which would be public records.

This bill would also require that each member of a legislative body of a local agency, except a member whose term of office ends before January 1, 2007, and each designated employee of a local agency employed as of January 1, 2006, receive training in ethical standards of conduct before January 1, 2007, as specified. By imposing these

requirements on local agencies, this bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

SECTION 1. Article 2.3 (commencing with Section 53232) is added to Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code, to read:

Article 2.3. Compensation

53232. For the purposes of this article, the following terms have the following meanings:

(a) "Conference" has the same meaning as described in paragraph (2) of subdivision (c) of Section 54952.2.

(b) "Governing body" means the board of supervisors in the case of a county or a city and county, the city council or board of trustees in the case of a city, and the board of directors or other governing body in the case of a district or other public agency.

(c) "Legislative body" has the same meaning as specified in Section 54952.

(d) "Local agency" means a city, county, city and county, charter city, or special district.

(e) "Meeting" has the same meaning as specified in subdivision (a) of Section 54952.2.

53232.1. (a) A local agency may pay compensation to members of a legislative body for attendance at the following occurrences:

(1) A meeting of the legislative body.

(2) A meeting of an advisory body.

1 (3) A conference.

2 (b) A local agency may pay compensation for attendance at  
3 occurrences not specified in subdivision (a) only if the governing  
4 body has adopted, in a public meeting, a written policy on the  
5 other specific types of occasions that constitute the performance  
6 of official duties for which a member of the legislative body may  
7 receive payment.

8 (c) Subdivisions (a) and (b) apply to any local agency that is  
9 otherwise authorized, by law, to pay compensation to members  
10 of a legislative body on the basis of a fixed daily amount for  
11 attendance at meetings or performance of official duties on  
12 behalf of the agency. If a local agency is otherwise authorized, in  
13 statute, or has enacted an ordinance to provide that a member of  
14 the legislative body shall receive a salary, then subdivisions (a)  
15 and (b) do not apply to that member.

16 (d) The provisions of this section are additional to any other  
17 laws authorizing payment of compensation to members of  
18 legislative bodies of local agencies.

19 53232.2. (a) A local agency may reimburse members of a  
20 legislative body for actual and necessary expenses incurred in the  
21 performance of official duties.

22 (b) The governing body shall adopt a written policy, in a  
23 public meeting, specifying the types of occurrences that qualify a  
24 member of the legislative body to receive reimbursement of  
25 expenses relating to travel, meals, and lodging.

26 (c) The members of the governing body may adopt a travel  
27 reimbursement policy, in a public meeting, that outlines  
28 procedures and reimbursement rates for meals, lodging, and  
29 travel. If the governing body of a local agency does not adopt a  
30 travel reimbursement policy, the local agency shall use the  
31 Internal Revenue Service rates for reimbursement of meals,  
32 lodging, and travel, as established in Publication 463, or any  
33 successor publication.

34 (d) If the lodging is in connection with a conference, lodging  
35 costs shall not exceed the group rate published by the conference  
36 sponsor.

37 (e) Members of the legislative body shall use the most  
38 economical mode and class of transportation and lodging  
39 available that is consistent with scheduling needs and cargo

1 requirements. Members shall use government and group rates for  
2 travel and lodging when available.

3 (f) All expenses that do not fall within the adopted travel  
4 reimbursement policy or the IRS reimbursable rates as provided  
5 in subdivision (a), shall be approved by the governing body, in a  
6 public meeting before the expense is incurred, except as provided  
7 in subdivision (d).

8 53232.3. (a) A local agency shall provide expense report  
9 forms to be filed by the members of the legislative body for  
10 reimbursement for actual and necessary expenses incurred on  
11 behalf of the local agency in the performance of official duties.  
12 Reimbursable expenses shall include, but not be limited to,  
13 meals, lodging, and travel.

14 (b) Expense reports shall document that expenses meet the  
15 existing policy for expenditure of public resources.

16 (c) Members shall submit expense reports within a reasonable  
17 time after incurring the expense, as determined by the legislative  
18 body, and the reports shall be accompanied by the receipts  
19 documenting each expense.

20 (d) Members shall provide brief reports on meetings attended  
21 at the expense of the local agency at the next regular meeting of  
22 the legislative body.

23 (e) All documents related to reimbursable agency expenditures  
24 are public records subject to disclosure under the California  
25 Public Records Act (Chapter 3.5 (commencing with Section  
26 6250) of Division 7 of Title 1).

27 53232.4. Penalties for misuse of public resources or falsifying  
28 expense reports in violation of expense reporting policies may  
29 include, but are not limited to, the following:

30 (a) The loss of reimbursement privileges.

31 (b) Responsibility for restitution to the local agency.

32 (c) Prosecution for misuse of public resources, pursuant to  
33 Section 8314 of this code or Section 424 of the Penal Code.

34 SEC. 2. Article 2.4 (commencing with Section 53234) is  
35 added to Chapter 2 of Part 1 of Division 2 of Title 5 of the  
36 Government Code, to read:

Article 2.4. Ethics Training

53234. For the purposes of this article, the following terms have the following meanings:

(a) “Legislative body” has the same meaning as specified in Section 54952.

(b) “Local agency” means a city, county, city and county, charter city, or special district.

53235. (a) Each member of a legislative body of a local agency, except a member whose term of office ends before January 1, 2007, and each designated employee of a local agency employed with the agency as of January 1, 2006, shall receive training in ethical standards of conduct before January 1, 2007.

(b) Each member of a legislative body and each designated employee who commences employment with a local agency on or after January 1, 2006, shall receive training in ethical standards of conduct no later than one year from the first day of employment with the local agency. Thereafter, members of a legislative body and designated employees shall receive training in ethical standards of conduct at least once every two years.

(c) The legislative body of a local agency shall designate the employees who shall receive training in ethical standards of conduct for the purposes of this section.

53235.1. (a) A local agency shall provide information on training available in ethical standards of conduct, that meets the requirements of this section, to members of its legislative body and designated employees at least once annually.

(b) A local agency may offer a training course in ethical standards of conduct that meets the requirements of this section.

(c) A local agency may identify online courses, conferences, seminars, or other courses that meet the requirements of this section.

(d) The Fair Political Practices Commission and the Attorney General shall jointly develop curriculum appropriate for the training in ethical standards of conduct for members of the legislative body of a local agency and designated employees.

(e) The curriculum for training in ethical standards of conduct shall include information regarding potential ethical abuses relating to, but not limited to, all of the following:

1 (1) The direct and indirect business relationships among  
2 members of the legislative body of a local agency, contractors,  
3 and vendors, and between members of the legislative body of a  
4 local agency and officers and employees of other public  
5 agencies.

6 (2) The solicitation of campaign contributions by members of  
7 a legislative body, officers, or employees of a local agency, and  
8 the receipt of contributions from bidders, contractors, and  
9 subcontractors.

10 (3) The use of public resources for a campaign activity, or  
11 personal or other purposes that are not authorized by law.

12 (f) In order to satisfy the requirements of Section 53235,  
13 members of a legislative body and designated employees of a  
14 local agency shall complete training in ethical standards of  
15 conduct that meets the requirements of this section.

16 53235.2. Notwithstanding Section 53235, a member of a  
17 legislative body or a designated employee who serves more than  
18 one local agency shall satisfy the requirements of this article  
19 once every two years without regard to the number of local  
20 agencies with which he or she is affiliated.

21 53235.3. (a) A local agency shall maintain records indicating  
22 both of the following:

23 (1) The dates that members of the legislative body and  
24 designated employees satisfied the requirements of this article.

25 (2) The agency or entity that conducted the training.

26 (b) Notwithstanding any other provision of law, a local agency  
27 shall maintain these records for at least five years after the  
28 members of the legislative body and designated employees  
29 receive the training. A local agency shall make these records  
30 available to the public for inspection.

31 SEC. 3. If the Commission on State Mandates determines that  
32 this act contains costs mandated by the state, reimbursement to  
33 local agencies and school districts for those costs shall be made  
34 pursuant to Part 7 (commencing with Section 17500) of Division  
35 4 of Title 2 of the Government Code.